

# General Land Bank Policies

- An application is required for all purchases of property. No sales contracts will be accepted. Applications are not considered until all required information is provided. If an application is incomplete, it may be rejected or other, completed applications will be given priority. Applicant may be required to submit additional information by a deadline; failure to submit this information may result in the rejection of the application. If applicant wishes to deed the property to their organization, articles of incorporation, certificate of good standing, and a resolution authorizing the purchase will be required.
- City reserves the absolute right to accept or reject any and all applications and offers for purchase. The Land Bank uses a competitive process whereby an application deadline is set when a property is initially listed for sale. All completed applications submitted by this deadline will be considered. Should no application be received by the initial deadline date, the property will remain listed for sale and a new deadline established upon receipt of the first complete application. Depending on the applications received and interest in the property, the City may repost or extend this initial deadline. In cases of multiple applications, the City will compare the offer price, Renovation Plan, financial capacity, track record of applicant, type of project, consistency with adopted City Plans, and other factors in the application selection process. Often, when several similar applications are received, the City may ask for the final and best offer, including offer price and proposed plan.
- All work requires appropriate City permits. The buyer and the buyer's contractor are responsible to coordinate and obtain the permits and approvals necessary to complete the project. All construction work requires building permits and must meet all the zoning requirements. If a zoning variance or rezoning is required, please note this on the application.
- All transfers include deed restrictions and agreement to finish the Renovation Plan. All deeds transferred from the City associated with this Land Bank Program are prepared by the Columbus City Attorney. All deeds contain reversionary language allowing the City to regain ownership and possession of the property if the buyer fails to meet their Renovation Plan, meet the timelines agreed to in this application, or violates the other restrictions described in the deed. The reversionary right is to protect the City in case the buyer fails to complete the project as agreed.
- The buyer may not sell the property prior to completion of the project and Final Inspection. It is the responsibility of the buyer to notify the City on the progress of construction and, upon the completion of the project, allow the City to physically inspect the work **PRIOR TO OCCUPANCY OR SALE**. *The City may start the reversion process if the buyer does not notify the City of completion of the project or does not timely respond to requests from the City for project updates.* If the property is reverted, the buyer will not be reimbursed for any losses and will be ineligible to purchase future land bank properties. To retain eligibility to purchase future properties, the buyer may request to transfer the property back to the City or discuss other options if the project cannot be completed.
- Experience is required to purchase a structure to renovate. Since Land Bank structures tend to need extensive work, these projects are not suitable for buyers new to renovation. Either buyer or the buyer's contractor must have experience doing similar work and that experience must be made a part of the application.
- A local manager is required for all rental projects. Buyers may act as their own property manager provided they are located in central Ohio. All buyers from outside Central Ohio must show proof they have a local individual/company to manage any property maintenance issues.

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- Application Property List. All applicants are subjected to a background check. As a part of this check, the applicant's existing real estate holdings (including those owned by a separate entity) will be reviewed. All property owned by the applicant, including a personal residence, is required to be included in the Applicant Property List form.
- All property sold "as-is". Buyer agrees to accept title to the property in its "as is" condition, without any warranties or representations by the City including, without limitation, the property's suitability; habitability; fitness of buyer's intended purposes of the property; environmental site conditions; zoning; adequacy of utility services; warranties of merchantability; or defects in the property's title. Buyer agrees to hold harmless and release the City for all conditions known or unknown to the property.
- Indemnification. Buyer agrees to indemnify, protect, hold harmless, defend, and release the City from any claims, losses, damages, costs, or expenses including, without limitation, all reasonable attorneys' fees asserted against, incurred, or suffered by the City resulting from any contract breaches, personal injuries, or property damages occurring in, on, about, or related to the property resulting from any causes, except resulting from the acts or omissions of the City or the City's agents, employees, or contractors. Nothing in this article restricts City's rights and remedies available at law or inequity.
- Non-refundable Processing Fee. A processing fee of \$195.00 per parcel is due upon staff approval of the application but prior to the submittal of City Council legislation. The fee is non-refundable and is in addition to the purchase price. Checks or money orders should be made payable to the Columbus City Treasurer.
- Release of Covenants Fee. After completion of the project and final inspection by the Land Redevelopment Division, the buyer may request a release of certain restrictions contained in the deed and MOA. To obtain a release, the buyer must submit a written request to the Land Redevelopment Division and pay a fee of \$95.00 per parcel. The release will be recorded by City Staff or provided to a title company as a part of a closing.
- City Council Authorization and Closings. After Staff approval, all transactions are contingent upon Columbus City Council authorization. The City further reserves the right to require a review of the purchase by the Land Review Commission, an Area Commission, a Historic Commission, or other committee established by the Department of Development. Closings are held at Land Bank Offices. The Land Bank will only accept a bank check or other type of payment with guaranteed funds such as a cashier's check, check from a title company escrow account, or money order. A title policy is not provided by the City; the city recommends the Buyer purchases a title policy through a title company of their choosing.

All closings shall be completed within 90 days of the approval letter date. Failure to close within this time frame without notifying the City, in writing, of a need for an extension, may result in the City withdrawing from the sale.

Once authorization is received from City Council, applicants utilizing Improve to Own (ITO) will sign a Memorandum of Agreement (MOA) agreeing to complete improvements and work submitted in the application within one year of closing. When the applicant has completed improvements, applicant will contact the City Land Bank to submit photos and receipts of improvements and work completed. Upon staff approval, a closing will be scheduled at which time the property will be transferred.